

**Estimated Average FY13 Cost Impact
for City of Boston Employee/Retiree with Harvard Pilgrim HMO
per April 2011 Agreement**

	Avg. Utilization/ Employee		CoPays			Avg. Out-of-Pocket Cost Increase	
	Individ	Family	Current	New	Increase	Individual	Family
Primary Care OV	2.93	9.94	\$10	\$15	\$5	\$14.67	\$49.69
Physical Therapy OV	0.94	2.01	\$10	\$15	\$5	\$4.69	\$10.07
Specialist OV	2.32	5.25	\$10	\$25	\$15	\$34.87	\$78.78
Mental Health OV	1.48	3.31	\$10	\$15	\$5	\$7.38	\$16.57
Emergency Room	0.26	0.78	\$30	\$100	\$70	\$18.14	\$54.67
Pharmacy - Retail Tier 1	15.82	31.04	\$5	\$10	\$5	\$79.12	\$155.19
Pharmacy - Retail Tier 2	4.19	8.68	\$10	\$25	\$15	\$62.78	\$130.26
Pharmacy - Retail Tier 3	1.08	2.37	\$25	\$45	\$20	\$21.51	\$47.32
Pharmacy - Mail Order Tier 1	1.50	2.96	\$10	\$20	\$10	\$14.96	\$29.58
Pharmacy - Mail Order Tier 2	0.59	1.10	\$20	\$50	\$30	\$17.75	\$33.10
Pharmacy - Mail Order Tier 3	0.14	0.28	\$75	\$100	\$25	\$3.50	\$6.89
			Out-of-Pocket Increase (1)			\$279.38	\$612.14
100% FY13 Annual Harvard HMO Premium (2)						\$8,744	\$23,521
Estimated Reduced FY13 Premium after Co-Pay Changes (3)						\$8,440	\$22,702
Employee/Retiree 15% Share of FY13 Premium						\$1,312	\$3,528
Employee/Retiree 17.5% Share of FY13 Reduced Premium due to Co-Pay Changes						\$1,477	\$3,973
Total FY13 Premium Increase						\$165	\$445
Total Average FY13 Cost Impact						\$445	\$1,057

(1) Average out-of-pocket co-pay increases based on utilization of services 6/1/2009 through 5/31/2010 by City of Boston Harvard Pilgrim members, and co-pay increases. Future years' utilization and costs will vary.

(2) FY13 Premium (before reduction) assumes annual increase of 8.5%.

(3) Premium Savings estimated by healthplans for proposed plan design changes.